Agenda Item: 3F4

# PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

# AGENDA ITEM SUMMARY

Meeting Date:	July 7, 2009			
Submitted By:	Department of Airports	[ ] W	Vorkshop	[ ] Public Hearing
	I. EXECUTIV	E BRIEF		
	tle: Staff recommends mo the Department of Airports.	otion to rec	eive and f	ile: Two (2) origina
	0/2009, automatically exter			
	to Sublease for a Sublease, Inc., approved 5/20/2009. (		it between	Spirit Airlines, Inc. and
Background a	nd Justification: N/A			
Attachments:	Гwo (2) Standard Agreement	s for the De	partment of	Airports
***********		Airports  EXECUTIVE BRIEF  mmends motion to receive and file: Two (2) original of Airports.  e with GFM Service, Inc. commencing 3/15/2009 and atically extending on a year-to-year basis (October 1st of 20/2009). (JB)  hority for execution of the standard County agreements C in R-94-1453 and R-97-233. Countywide		
Recommended	By: Sprice of	Pelly		6/8/09
	Department Dire	ector	<del></del>	Date
Approved By:	Marler		and the second s	6/11/09
	County Adminis	trator		Date

# AIR FREIGHT BUILDING LEASE

Department of Airports

Palm Beach International Airport

Palm Beach County, Florida

and

**GFM Service, Inc.** 

# AIR FREIGHT BUILDING LEASE

# TABLE OF CONTENTS

		PAGE
ARTICLE I	<u>TERM</u>	1
ADTICLE II	DDEMICES AND DDIVII EGES	. 1
ARTICLE II 2.01	PREMISES AND PRIVILEGES  Description of Promises Legal	<u>l</u> 1
2.01	Description of Premises Leased	. l
	Description of General Privileges, Uses and Rights	1
2.03	Description of Specific Privileges, Uses and Rights	2 2
2.04	Restrictions of Privileges, Uses and Rights	2
ARTICLE III	RENTAL	2
3.01	Commencement and Time of Payment	2
3.02	Adjustment of Rental	3
3.03	Unpaid Rent	3
3.04	Payment Security	3
ARTICLE IV	OBLIGATIONS OF COUNTY	4
4.01	Clear Title	4
4.02	Maintenance Responsibility	4
ARTICLE V	OBLIGATIONS OF LESSEE	4
5.01	Net Lease	4
5.02	Maintenance and Repair	4
5.03	Utilities	5
5.04	Cleanliness of Premises	5
5.05	Security	5
3.03	Security	3
ARTICLE VI	INSURANCE	6
6.01	Fire and Other Risks Insurance	6
6.02	Personal Injury and Property Damage Liability Insurance	6
6.03	Insurance Certificate	7
6.04	COUNTY's Right to Review	7
ARTICLE VII	RELATIONSHIP OF THE PARTIES	7
ARTICLE VIII	INDEMNIFICATION	7
ARTICLE IX	DAMAGE OR DESTRUCTION OF	
	PREMISES/IMPROVEMENTS	8
9.01	LESSEE's Obligations	8
9.02	Insurance Proceeds	9
9.03	Right to Cancel	9
9.04	Termination Upon Destruction or Other Casualty	9
ARTICLE X	TITLE TO IMPROVEMENTS	9
ARTICLE XI	TERMINATION OF LEASE, CANCELLATION,	
AMCHOLL M	ASSIGNMENT AND TRANSFER	10
11.01	Termination	10
11.02	COUNTY's Right of Cancellation	10
11.02	Cancellation for Default in Payment of Rentals	10
11.04	Landlord's Lien	11
11.04	Cancellation by LESSEE	11
11.05	Surrender of Premises	11
11.06		11
11.07	Assignment, Transfer and Subletting	11
ARTICLE XII	ALTERATIONS OR ADDITIONS; SIGNS	12
12.01	Alterations or Additions	12
12.02	Signs	

# TABLE OF CONTENTS

(continued)

	(continuea)	<u>PAGE</u>
ARTICLE XIII 13.01	LAWS, REGULATIONS, PERMITS AND TAXES General	12 12
13.02	Permits and Licenses General	13
13.03	Air and Safety Regulations	13
13.04	Environmental and Natural Resource Laws,	12
13.05	Regulations and Permits	13 15
13.03	Payment of Taxes	15
ARTICLE XIV	DISCLAIMER OF LIABILITY	16
ARTICLE XV	REMEDIES CUMULATIVE	16
ARTICLE XVI	GOVERNMENTAL RESTRICTIONS	16
16.01	Federal Right to Reclaim	16
16.02	Federal Review	16
16.03	COUNTY Tax Assessment Right	16
16.04	Operation of Airport	16
ARTICLE XVII	NO DISCRIMINATION	17
17.01	Non-discrimination	17
17.02	Disadvantaged Business Enterprise/Affirmative Action	17
ARTICLE XVIII	COUNTY NOT LIABLE	17
ARTICLE XIX	AUTHORIZED USES ONLY	18
ARTICLE XX	NON-WAIVERS	. 18
ARTICLE XXI	SUBORDINATION	18
21.01	Subordination to Bond Resolution	18
21.02	Subordination to Federal Agreements	18
ARTICLE XXII	EASEMENTS	18
ARTICLE XXIII	CONSENT AND APPROVAL	18
ARTICLE XXIV	RIGHTS RESERVED TO COUNTY	19
ARTICLE XXV	INVALIDITY OF CLAUSES	19
ARTICLE XXVI	<u>VENUE</u>	19
ARTICLE XXVII	GOVERNING LAW	19
ARTICLE XXVIII	INSPECTIONS	19
ARTICLE XXIX	NOTICE	19
ARTICLE XXX	PARAGRAPH HEADINGS	19
ARTICLE XXXI	BINDING EFFECT	20
ARTICLE XXXII	PERFORMANCE	20
ARTICLE XXXIII	PUBLIC ENTITY CRIMES	20
ARTICLE XXXIV	ENTIRETY OF AGREEMENT	20

#### AIR FREIGHT BUILDING LEASE

THIS LEASE is made and entered into JUN 0 4 2009, by and between Palm Beach County, a political subdivision of the State of Florida (hereinafter referred to as the "COUNTY"), and GFM Service, Inc., a Florida corporation, having its office and principal place of business at 18867 Big Cypress Drive, Jupiter, Florida 33458 (hereinafter referred to as the "LESSEE").

#### WITNESSETH:

WHEREAS, COUNTY, by and through its Department of Airports (hereinafter referred to as the "Department"), owns and operates Palm Beach International Airport, located in Palm Beach County, Florida (hereinafter referred to as the "Airport"); and

WHEREAS, COUNTY has certain air freight facilities at the Airport which are available for leasing on a net basis; and

WHEREAS, LESSEE wishes to lease such facilities for the purpose of receiving, processing and handling of air freight and cargo; and

WHEREAS, LESSEE has indicated a willingness and demonstrated the ability to properly keep and maintain said air freight facilities in accordance with the terms and conditions of this Lease.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, and for such other good and valuable consideration, the receipt of which the parties hereby expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions.

# **ARTICLE I**

#### **TERM**

This Lease shall commence and be effective on the this 15<sup>th</sup> day of March, 2009, and shall terminate on the 30<sup>th</sup> day of September, 2009, and shall automatically be extended on a year-to-year basis (October 1<sup>st</sup> through September 30<sup>th</sup>), unless either party hereto, with the Department acting on behalf of the COUNTY, shall advise, by at least thirty (30) days advance written notice, the other party of its intent to amend or terminate this Lease.

# <u>ARTICLE II</u>

# PREMISES AND PRIVILEGES

- 2.01 <u>Description of Premises Leased</u>. The premises hereby leased consist of unit 1310, located in Air Freight building, Building 1300, containing approximately 1,994 square feet of interior cargo space being situated on the Airport, in Section 32, Township 43 South, Range 43 East, Palm Beach County, Florida, all as more particularly described on Exhibit "A", attached hereto and by this reference made a part hereof.
- 2.02 <u>Description of General Privileges, Uses and Rights</u>. COUNTY hereby grants to LESSEE the following general privileges, uses and rights, all of which shall be subject to the terms, conditions and covenants hereinafter set forth and all of which shall be non-exclusive on the Airport:
  - (A) The general use, in common with others, of all public Airport facilities and improvements which are now or may hereafter be connected with or appurtenant to said Airport, to be used by LESSEE, its agents and employees, patrons and invitees, suppliers of service, furnishers of material, and its authorized sublessees, if any, in connection with its operations hereunder. For the purpose of this Lease "public Airport facilities" shall include all necessary roadways, sidewalks, or other public facilities appurtenant to said Airport, not specifically leased to or under the contractual control of others.
  - (B) The right of ingress to and egress from the leased premises over and across public roadways serving the Airport for LESSEE, its agents and employees, patrons and invitees,

suppliers of service and furnishers of material, and its authorized sublessees, if any. Said right shall be subject to such laws, rules, regulations and orders as now or may hereafter have application at the Airport.

Except as expressly set forth in Paragraphs 2.02(A) and 2.02(B) hereinabove, nothing herein contained shall be construed to grant to LESSEE the right to use any space or area improved or unimproved which is leased to a third party, or which COUNTY has not leased herein.

- 2.03 <u>Description of Specific Privileges, Uses and Rights</u>. In addition to the general privileges, uses and rights hereinbefore described, COUNTY hereby grants to LESSEE, the right to operate and maintain the leased premises, including all necessary appurtenances thereto, to be used for the purpose of receiving, storing, assembling, and shipping aircraft engines and parts.
- 2.04 Restrictions of Privileges, Uses and Rights. The rights granted hereunder are expressly limited to the maintenance and operation of those certain portions of the Air Freight building leased herein and, pursuant to the terms of this Lease, nothing contained herein shall be construed to give LESSEE any rights in any future expansion, renovation, or relocation of the Airport or Air Freight building. In addition to the foregoing, LESSEE shall be prohibited from parking any boats, motor homes, or inoperable vehicles within the vicinity of the leased premises or other areas of the Air Freight building and shall not permit the leased premises or common use and access areas of the Air Freight facilities to be used for the stockpiling or storage of equipment and machinery which is inoperable or not used in support of LESSEE's day-to-day operations at the Air Freight building.

#### **ARTICLE III**

#### **RENTAL**

Except as provided for in Article 3.02 herein below, the rental to be paid to COUNTY by LESSEE for the leasehold premises, as described in Article 2.01 hereinabove and set forth in Exhibit "A" hereto, shall be Eight Dollars and 50/100 (\$8.50) per square foot per annum for approximately 1,994 square feet of interior cargo space. Therefore, the monthly rental due hereunder shall be One Thousand Four Hundred Twelve dollars and 42/100 (\$1,412.42), plus tax, if applicable, to be paid in equal monthly installments, in advance.

- 3.01 Commencement and Time of Payment.
- A. All payments due COUNTY by LESSEE shall be paid in lawful money of the United States of America, by check payable to Palm Beach County, without set off, and shall be made at such places as COUNTY may designate, which upon the commencement date of this Lease shall be as follows:

Department of Airports
Building 846
Accounting Section
Palm Beach International Airport
West Palm Beach, Florida 33406-1491

- B. The rental payments due COUNTY by LESSEE for the premises leased herein shall be paid in advance without demand in equal monthly installments by the first day of each month throughout the term hereof. Said rentals shall be deemed delinquent if payment is not received by the first (1st) business day of the month in which they are due. COUNTY agrees to provide invoices to LESSEE for said rentals solely for the purpose of LESSEE's information and documentation; provided however, the provision of said invoices shall not be deemed a waiver of any of COUNTY's rights hereunder.
- C. Payment for other fees and charges due hereunder, including, but not limited to (i) water and sewer utility charges; (ii) trash removal and disposal charges; (iii) fees assessed for the security badging of LESSEE's employees and contractors; and (iv) other miscellaneous charges as may be

imposed during the term hereof, shall be due as of the date of Department's invoice. Said fees and charges shall be deemed delinquent if payment is not received within thirty (30) days of the date of such invoice.

# 3.02 Adjustment of Rental.

- If LESSEE is in possession of the leased premises on October 1, 2001, or any three year A. anniversary thereof (hereinafter referred to as the ("Adjustment Date"), by virtue of this Lease, the rental rate stated herein, shall become invalid and a new rental rate, which shall be determined as hereinafter set forth, shall apply to the premises leased herein. Said appraisal shall set forth the Fair Market Rental for the leased premises. Within ninety (90) days prior to each Adjustment Date, the Department shall select a qualified appraiser who shall reappraise the leased premises based upon Airport use to determine said Fair Market Rentals, the cost of such appraisal to be borne by the Department. The Department shall submit to LESSEE a written statement of the then current Fair Market Rental as established by said appraisal and the annual rental shall be adjusted to equal the value so determined by said appraisal, and shall be payable, in equal monthly installments, in advance, without demand, commencing on the Adjustment Date. In no case shall the rental so adjusted be less than the rental first established in this Lease. When such new rental rate is approved and established by appropriate action of the Board of County Commissioners of Palm Beach County, Florida, this Lease shall automatically be considered as amended to reflect the said new rental rate, without formal amendment hereto, upon written notification by the Department to LESSEE of the establishment of the said rental rate applicable to the premises leased herein.
- B. Notwithstanding anything to the contrary contained in this Lease, the rental rate shall be established at all times to ensure compliance with the provisions of Section 710 (rate covenant) of the Palm Beach County Airport System Revenue Bond Resolution, dated April 3, 1984, as amended, and supplemented (the "Bond Resolution"), which is hereby incorporated by reference and made a part hereof.
- 3.03 <u>Unpaid Rent</u>. In the event LESSEE fails to make timely payment of any rentals, fees and charges due and payable in accordance with the terms of this Lease, interest, at the rate of one and one-half percent [1 1/2 %] per month, shall accrue against the delinquent payment(s) from date due until the date payment is received by the Department. Notwithstanding the foregoing, COUNTY shall not be prevented from terminating this Lease for default in the payment of rentals or from enforcing any other provisions contained herein or implied by law.
- 3.04 Payment Security. In the event LESSEE fails to make timely payment of the rentals, fees and charges due hereunder, COUNTY, in its reasonable discretion, may require LESSEE to provide and keep in full force and effect during the remaining term of this Lease, a Surety Bond or a Clean Irrevocable Letter of Credit ("Payment Security"), in a form and drawn on such company as is acceptable to COUNTY, in its sole discretion, in an amount equivalent to no less than three (3) months of the then current rental payments due hereunder. In such event, LESSEE shall submit such Payment Security within thirty (30) days of receipt of Department's notice thereof. The amount of required Payment Security shall be adjusted coincidental with the adjustment of any rentals, fees and charges. Said Payment Security may be drawn upon by the Department if LESSEE fails to perform its obligations under this Lease. Failure to maintain Payment Security as required herein shall constitute a material default by LESSEE and shall be grounds for immediate termination of this Lease.

# ARTICLE IV OBLIGATIONS OF COUNTY

- 4.01 <u>Clear Title</u>. COUNTY covenants that at the granting and delivery of this Lease, it has the right and authority to lease the same as herein set forth, subject to all exceptions and encumbrances of record of any kind, including easements.
- 4.02 <u>Maintenance Responsibility</u>. County shall maintain the structure of the Air Freight facility including exterior walls, foundation, roof, exterior lighting, pavement and fencing around the facility, utility cables to their point of connection with the Air Freight facility, and provide for the maintenance of the grassed and planted areas around the Air Freight facility. Except as to the premises hereby leased, unless otherwise specifically provided for herein, or facilities leased to others by COUNTY, COUNTY shall maintain all public Airport facilities in good and adequate condition for their intended use to the extent required by law.

#### ARTICLE V

# **OBLIGATIONS OF LESSEE**

- 5.01 <u>Net Lease</u>. Except as provided in Article 4.02 hereinabove, this Lease in every sense shall be without cost to COUNTY for the maintenance and operation of the leased premises. LESSEE expressly acknowledges that it has inspected the leased premises and that it accepts the same in the condition existing as of the effective date of this Lease, together with all defects, latent and patent, if any.
  - 5.02 Maintenance and Repair.
- LESSEE shall, at its sole cost and expense, maintain the leased premises, improvements, A. and appurtenances thereto, in a safe and presentable condition consistent with good business practice, industry standards and in accordance with all applicable laws, regulations and rules of any governmental entity. LESSEE shall repair all damages to said premises and improvements caused by its employees, patrons, invitees, suppliers of service or furnishers of material, or any other persons whomsoever, and all damages caused by or resulting from or in any way arising out of LESSEE's operations thereon or LESSEE's use of the premises leased hereunder. The Consulting Engineer of COUNTY, as defined in the Bond Resolution, shall, at least annually, throughout the term hereof, inspect the premises, identify any maintenance or repair items and report in writing to the Department as to the nature of the item(s) and recommend corrective action. LESSEE hereby agrees that it shall abide by the decision of Department with respect to any and all such maintenance or repair. The Department shall be the sole judge of LESSEE's performance under this Article as to the quality of maintenance and repair. Upon written notice by Department to LESSEE, LESSEE shall perform the required maintenance or repair in accordance with Department's decision. If LESSEE has not made a good faith effort, as determined by Department, to begin to perform said maintenance or repair within ten (10) days after written notice and to diligently pursue the same to completion, COUNTY shall have the right to enter on the leased premises and perform the necessary maintenance or repair, and LESSEE hereby expressly agrees that it shall fully assume and be liable to COUNTY for payment of the costs there for, plus twenty-five percent (25%) administrative overhead. Such maintenance or repair cost, plus the administrative cost, shall be due and payable within thirty (30) days from the date of Department's billing therefor.
- B. The covered loading dock area shall be maintained and kept free of obstruction by LESSEE to allow for necessary lateral movement by other Air Freight building tenants and their employees for the interchange and movement of freight, cargo and personnel. Each tenant of the Air Freight building shall have the right to make such necessary lateral movement of freight, cargo and personnel on the covered loading dock of any other Air Freight building tenant as is necessary to that tenant's conduct of business.

- 5.03 <u>Utilities</u>. LESSEE shall procure at its own cost and expense all utilities separately metered and used by it. COUNTY shall provide water and sewer utilities, the costs of which shall be prorated and billed by the Department to LESSEE monthly. LESSEE's monthly share of said costs shall be determined as a proportionate percentage of the total billable square feet contained in the Air Freight building. LESSEE shall have the right, at its sole cost and expense, to connect to any and all utility mainlines or cables existing at the time of this Lease or installed during the term of the Lease.
- LESSEE shall, at its sole cost and expense, keep the leased Cleanliness of Premises. 5.04 premises clean at all times and shall provide daily cleaning and litter pickup of the covered loading dock areas and service areas. LESSEE shall not deposit nor store any waste, garbage, or refuse of any kind on any part of the Airport; provided, however, LESSEE may deposit same in appropriate containers provided by COUNTY designated for the collection and removal of waste. Said containers shall be located within the immediate vicinity of the Air Freight building in a common use and access area as determined by the Department. The cost for disposal of such waste shall be prorated and billed by the Department to LESSEE monthly. LESSEE's monthly share of said costs shall be determined as a proportionate percentage of the total billable square feet contained in the Air Freight building. LESSEE shall make no use of any portion of the leased premises or service areas which interfere with or disturb the use or enjoyment by others of their premises or any non-leased areas of the Airport. The Department shall reasonably determine whether LESSEE is in compliance with the maintenance obligations as provided for herein and shall provide LESSEE with written notice of any violations of LESSEE's maintenance obligations. Immediately upon LESSEE's receipt of COUNTY's written notice of violation, LESSEE shall commence such corrective action as required by COUNTY or as may be necessary to remedy such non-compliance to satisfaction of COUNTY. If corrective action is not immediately initiated and pursued in a diligent manner to completion, the Department may cause the same to be accomplished and LESSEE hereby expressly agrees that LESSEE shall assume and be liable to COUNTY for payment of all the cleaning and grounds maintenance costs, plus twenty-five percent (25%) for administrative overhead. Such cleaning and grounds maintenance costs, plus the administrative cost, shall be due and payable within thirty (30) days of the date of written notice.
- LESSEE acknowledges and accepts full responsibility for the security and 5.05 Security. protection of the premises and any and all inventory, equipment and facilities now existing or hereafter placed on or installed in or upon the leased premises, and for the prevention of unauthorized access to its facilities and expressly agrees to comply with all rules and regulations of COUNTY and of any and all other governmental entities that now or may hereafter have jurisdiction over such security. LESSEE fully understands that the police security protection provided by COUNTY is limited to that provided to any other business situated in Palm Beach County by the Palm Beach County Sheriff's Office, and expressly acknowledges that any special security measures deemed necessary or desirable for additional protection of the leased premises, shall be the sole responsibility of LESSEE and shall involve no cost to COUNTY. To the extent that LESSEE's operations at the Air Freight facility require airfield security access, LESSEE further expressly acknowledges and accepts full responsibility to maintain the integrity of the airfield operations area and hereby agrees to fully comply with all Federal, State and local laws including, but not limited to, FAR Part 107, as amended from time to time, and with all rules and regulations of the Department concerning security procedures, as presently exist or may be amended from time to time.

ARTICLE VI INSURANCE Notwithstanding LESSEE's obligation to indemnify COUNTY as set forth in this Lease, LESSEE shall maintain the following insurance policies during the term of this Lease.

- 6.01 <u>Fire and Other Risks Insurance</u>. LESSEE, at its sole cost and expense, shall, throughout the term of this Lease, keep or cause to be kept all improvements now or hereafter located in or on the leased premises insured for the mutual benefit of COUNTY and LESSEE against loss or damage by All Risk property coverage, including flood or earthquake, in an amount equal to the replacement cost (without depreciation) of such improvements, but excluding the cost of excavations and foundations. Coverage is to contain a 100% Co-Insurance clause or Agreed Amount Endorsement. Said insurance shall contain loss payable endorsements in favor of the parties as their respective interests appear hereunder.
  - 6.02 Personal Injury and Property Damage Liability Insurance.
  - A. Occurrence Form Basis. In addition to such insurance as may be required by law LESSEE agrees to maintain in full force and effect through out the term of this Lease or any extension thereof, Comprehensive or Commercial General Liability on an Occurrence form basis. Coverage shall be underwritten by a company or companies authorized to conduct business in the State of Florida and shall hold a current Policyholder's Alphabetic and Financial Size Category Rating of not less than A XII according to Best's Insurance Reports. Required coverage must have limits of not less than \$1,000,000 Combined Single Limit each and every occurrence for Personal Injury including Bodily Injury/Death and Property Damage Liability and shall include, but not be limited to Products-Completed Operations, Contractual and Broad Form Property Damage.
  - B. <u>Conditions Applicable to 1986 Claims-Made Commercial General Liability Policies or Any Other Policies that Follow a Similar Format</u>. Occurrence form general liability insurance is highly preferred, however, in the event the LESSEE is only able to secure Claims-Made general liability insurance special conditions apply:
    - 1. Any Certificate of Insurance issued to the County must clearly indicate whether the Claims-Made Commercial General Liability or similar form applies to it. Further it must indicate if the limits are aggregated. In the event of aggregate limits being applicable, the County requires that the LESSEE's aggregate amount of insurance be no less than three times the basic limit of liability required above for each accident or occurrence.
    - 2. Should coverage be afforded on a Claims-Made basis LESSEE shall be obligated by virtue of this Lease to maintain insurance coverage in effect with no less limits of liability nor any more restrictive terms and/or conditions for a period of not less than thirty-six (36) months from the termination of this Lease. The retroactive date shall be no later than the date of inception of this Lease and shall be maintained for all subsequently required policies.
  - C. Automobile Liability covering all Owned, Hired and Non-Owned Vehicles in an amount not less than \$1,000,000 combined Single Limit per occurrence for Bodily Injury (including death) and Property Damage Liability; provided however, that if the scope and conduct of the LESSEE's operations under this Lease require vehicle access to areas designated for the parking and maneuvering of aircraft (ramp area) said liability insurance shall be in an amount not less than \$5,000,000 Combined Single Limit per occurrence for Bodily Injury (including death) and Property Damage Liability. Notwithstanding the foregoing, if the scope and conduct of LESSEE's operations under this Lease do not involve the operation, ownership or use of any vehicle, then this requirement shall be waived.

#### 6.03 <u>Insurance Certificate</u>.

A. A signed Certificate or Certificates of Insurance, evidencing that required insurance coverage(s) has been procured by LESSEE in the types and amount(s) required hereunder, shall be transmitted to COUNTY prior to LESSEE taking possession of the leased premises and said Certificate(s) shall clearly state that coverage required by this Lease has been endorsed to include Palm Beach County, a Political Subdivision of the State of Florida, as an Additional Insured. Further, said Certificate of Insurance shall unequivocally provide thirty (30) days written notice to COUNTY prior to any adverse

Air Freight Bldg 1300 R97-233

- change, cancellation or non-renewal of coverage thereunder. Said liability insurance must be acceptable to and approved by COUNTY as to form and types of coverage.
- B. In the event that the statutory liability of COUNTY is amended during the term of this Lease to exceed the above limits, LESSEE shall be required, upon thirty (30) days written notice by COUNTY, to provide coverage at least equal to the amended statutory limit of liability of COUNTY. LESSEE's failure to provide such additional coverage shall constitute a default by LESSEE and shall be grounds for automatic termination of this Lease. Said policy(s) of insurance shall provide that, in the event of bankruptcy or insolvency of LESSEE the insurance company shall not be relieved of any payment, claims or fines which may thereafter be levied by any authorized governmental authority for any acts or conditions caused or created by LESSEE or for which LESSEE is in any way responsible or liable.
- 6.04 <u>COUNTY's Right to Review</u>. Notwithstanding the foregoing, COUNTY, by and through its Risk Management Department in cooperation with the Department, reserves the right to periodically review any and all policies of insurance and to reasonably adjust the limits of coverage required hereunder, from time to time throughout the term of this Lease. In such event, COUNTY shall provide LESSEE written notice of such adjusted limits and LESSEE shall comply within thirty (30) days of receipt thereof. LESSEE's failure to provide such additional coverage shall constitute a default by LESSEE and shall be grounds for automatic termination of this Lease.

#### ARTICLE VII

#### RELATIONSHIP OF THE PARTIES

LESSEE is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions, and COUNTY shall in no way be responsible therefor.

#### **ARTICLE VIII**

#### **INDEMNIFICATION**

LESSEE agrees to protect, defend, reimburse, indemnify and hold COUNTY, its agents, employees and elected officers and each of them, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including attorney fees) and causes of action of every kind and character against or from COUNTY by reason of any damage to property or the environment, or bodily injury (including death) incurred or sustained by any party hereto, or of any party acquiring any interest hereunder, any agent or employee of any party hereto or of any party acquiring an interest hereunder, and any third or other party whomsoever, or any governmental agency, arising out of or incident to or in connection with LESSEE's performance under this Lease, the condition of the leased premises, LESSEE's acts, omissions or operations hereunder, or the performance, non-performance or purported performance of LESSEE or any breach of the terms of this Lease; provided however LESSEE shall not be responsible to COUNTY for damages resulting out of bodily injury or damages to property which LESSEE can establish as being attributable to the sole negligence of COUNTY, its respective agents, servants, employees and officers. LESSEE further agrees to hold harmless and indemnify COUNTY for any fines, citations, court judgments, insurance claims, restoration costs or other liability resulting from or in any way arising out of or due to LESSEE's activities or operations on the Airport, of which the leased premises are a part, whether or not LESSEE was negligent or even knowledgeable of any events precipitating a claim or judgment arising as a result of any situation involving said activities. Said indemnification shall be extended to include all deliverers, suppliers, furnishers of material, or anyone acting for, on behalf of, or at the request of LESSEE. LESSEE recognizes the broad nature of this indemnification and hold harmless clause, and voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by COUNTY in support of this indemnification in accordance with laws of the State of Florida. This clause shall survive the termination of this Lease.

#### ARTICLE IX

#### DAMAGE OR DESTRUCTION OF PREMISES/IMPROVEMENTS

- 9.01 LESSEE's Obligations. LESSEE hereby assumes full responsibility for the character, acts and conduct of all persons admitted to the leased premises by or with the actual or constructive consent of LESSEE or by or with the consent of any person acting for or on behalf of LESSEE. If the leased premises, improvements, or any part thereof, during the term or any extension of this Lease, shall be damaged by the act, default or negligence of LESSEE, or of LESSEE's members, agents, employees, officers, representatives, guests, invitees, contractors, patrons, or any person admitted to said leased premises by LESSEE, LESSEE shall at its sole cost and expense restore said leased premises to the condition existing prior to such damage. If LESSEE fails to restore said leased premises as required above, COUNTY shall have the right to enter the leased premises and perform the necessary restoration, and LESSEE hereby expressly agrees that it shall fully assume and be liable to COUNTY for payment of the costs therefor, plus twenty-five percent (25%) administrative overhead. Such restoration cost, plus the administrative cost, shall be due and payable within thirty (30) days from date of written notice therefor. Notwithstanding the foregoing, at any time during the term of this Lease or any extension hereof, except as other wise provided in Article 9.03 below, should the improvements constructed by or for COUNTY or LESSEE upon the leased premises be damaged or destroyed in whole or in part by fire or other casualty, LESSEE shall give prompt notice in writing thereof to Department, and LESSEE, may, subject to the prior written approval of Department, repair, replace and rebuild the same to the satisfaction of Department. Such repairs, replacements or rebuilding shall be made by LESSEE at LESSEE's sole cost and expense, in accordance with the construction requirements as established by the Department; provided that, prior to commencing construction, COUNTY may at its sole discretion require LESSEE to furnish a performance and payment bond and Builder's Risk Insurance, all of which shall be in such amounts and in such form as shall be acceptable to COUNTY in its sole discretion. Upon compliance with the foregoing, and after settlement shall have been made with the insurance company or companies and said proceeds of such insurance policy or policies shall have been paid jointly to LESSEE and COUNTY, LESSEE shall commence such repair, replacements or rebuilding within a reasonable time and shall continue such work with reasonable diligence until completion.
- 9.02 <u>Insurance Proceeds</u>. Upon receipt by LESSEE of the proceeds of the insurance policy or policies, the proceeds shall be deposited in an escrow account approved by COUNTY so as to be available to pay for the cost of such repair, replacement or rebuilding. Such proceeds shall be disbursed during construction to pay the cost of such work. If the amount of such insurance proceeds is insufficient to pay the costs of the necessary repair, replacement or rebuilding of such damaged improvements, LESSEE shall pay any additional sums required into said escrow account. If the amount of such insurance proceeds is in excess of the costs thereof, the amount of such excess shall be remitted to LESSEE.
- 9.03 <u>Right to Cancel.</u> Should the improvements on the leased premises be damaged or destroyed in whole or in part by fire or other casualty, LESSEE may, subject to approval by COUNTY, be relieved of the obligation to repair, replace or rebuild the same and have the right to cancel this Lease. In such event, LESSEE shall provide COUNTY written notice within thirty (30) days after the date of any such damage or destruction and, upon approval by COUNTY, this Lease shall terminate and the insurance proceeds received or receivable under any policy of insurance shall be paid to and retained by COUNTY.

All rents payable under this Lease shall be prorated and paid to the date of such termination. The receipt and acceptance of insurance proceeds by COUNTY under this Article will relieve LESSEE from any responsibility to restore the leased premises to their former condition; provided, however, that LESSEE expressly agrees, covenants and warrants that nothing herein shall serve to relieve LESSEE of its liability for penalties or expenses associated with, arising out of, or in any way resulting from any impairment of, or damage to the environment of the leased premises, and LESSEE further waives any claim against COUNTY for damages or compensation, should this Lease be so terminated.

9.04 <u>Termination Upon Destruction or Other Casualty</u>. Except as otherwise provided hereinabove, in the event that the leased premises, improvements, or any part thereof shall be destroyed or damaged by fire, water or any other cause, or if any other casualty or unforeseen occurrence shall likewise render the fulfillment of this Lease by COUNTY impossible, then thereupon this Lease shall terminate and the LESSEE shall pay rental for said leased premises only up to the time of such termination, and the LESSEE hereby waives any claim for damages or compensation should this Lease be so terminated.

#### **ARTICLE X**

#### TITLE TO IMPROVEMENTS

Notwithstanding any other provisions herein to the contrary, upon expiration of the term of this Lease as provided in Article I hereof, or its sooner termination as provided herein, all improvements constructed or placed upon the leased premises by LESSEE shall become the absolute property of COUNTY, and COUNTY shall have every right, title and interest therein, free and clear or any liens; and any interest in such improvements theretofore held by LESSEE, and absolute title thereto, shall thereafter be vested in COUNTY; provided, however, COUNTY shall be entitled, at its option, to have the leased premises returned to COUNTY free and clear of some of all improvements, at LESSEE's sole cost and expense. In such event, COUNTY shall provide timely notification to LESSEE of its election to require removal of the improvements and to the extent possible, COUNTY shall notify LESSEE at least sixty (60) days prior to the effective date of such termination. LESSEE shall have sixty (60) days from date of notice within which to remove such improvements. If LESSEE fails to so remove said improvements, COUNTY may remove same at LESSEE's sole cost and expense.

# ARTICLE XI

#### TERMINATION OF LEASE, CANCELLATION, ASSIGNMENT AND TRANSFER

- 11.01 <u>Termination</u>. This Lease shall automatically terminate and expire at the end of the term, as set forth in Article I hereof, unless canceled sooner as provided for herein, and LESSEE shall have no further right or interest herein.
  - 11.02 COUNTY's Right of Cancellation.
- A. COUNTY may, to the extent allowed by law, cancel this Lease by giving LESSEE thirty (30) days advance written notice, to be served as hereinafter provided, upon the happening of any one of the following events:
  - (1) The filing by LESSEE of a voluntary petition for bankruptcy;
  - (2) The institution of proceedings in bankruptcy against LESSEE and adjudication of LESSEE as a bankrupt pursuant to said proceeding which adjudication is not set aside within thirty (30) days thereof;
  - (3) The taking of LESSEE and its assets by a Court of competent jurisdiction, pursuant to proceedings brought under the provision of any federal reorganizational act and said proceeding is not dismissed, discontinued or vacated within ninety (90) days;
  - (4) The appointment of a receiver of LESSEE's assets and the receivership shall not be set aside within ninety (90) days after such appointment;

- (5) The abandonment by LESSEE of the leased premises, or of its business operations thereon;
- (6) The conduct of any business or performance of any acts not specifically authorized herein and said business or acts do not cease within thirty (30) days of receipt of written notice given by COUNTY to LESSEE to cease said business or acts; or
- (7) Default in the performance of any of the covenants and conditions required herein (except payment of rentals pursuant to Article 11.03; Insurance requirements pursuant to Article VI; and Payment Security requirements pursuant to Article 3.04) to be kept and performed by LESSEE and said default is not cured within thirty (30) days or receipt of written notice by COUNTY to do so, or if by reason of the nature of such default, the same cannot be remedied within thirty (30) days following receipt by LESSEE of written demand from COUNTY to do so, LESSEE fails to commence the remedying of such default within thirty (30) days following such written notice, or having so commenced, shall fail thereafter to continue with diligence the curing thereof. LESSEE shall have the burden of proof to demonstrate (i) that the default cannot be cured within thirty (30) days; (ii) that it is proceeding with diligence to cure said default and that such default will be cured within a reasonable period of time.
- B. In any of the aforesaid events, should COUNTY elect to cancel this Lease, cancellation shall be effective upon the date specified in COUNTY's written notice to LESSEE, and, upon said date, LESSEE shall be deemed to have no further rights hereunder and COUNTY may take immediate possession of the leased premises and remove LESSEE's effects, by forcible eviction if necessary, without being deemed guilty of trespassing.
- 11.03 Cancellation for Default in Payment of Rentals. If LESSEE fails to pay the whole or any part of the rental, fees, and charges due hereunder and continues to fail to pay said amounts in full within ten (10) days from COUNTY's transmittal to LESSEE of a written past due statement therefor, such occurrence shall also be a material default under this Lease, and COUNTY may, at its option, immediately cancel this Lease, by written notice thereof. In such event, LESSEE shall be deemed to have no further rights hereunder and COUNTY may take immediate possession of the leased premises and remove LESSEE's effects by forcible eviction if necessary in compliance with applicable laws without being deemed guilty of trespassing.
- 11.04 <u>Landlord's Lien</u>. LESSEE expressly agrees that, in the event of LESSEE's default hereunder, COUNTY shall have a lien upon all goods, chattel, personal property or equipment of any description belonging to LESSEE, which are placed in, on or become a part of the leased premises, or improvements as security for rent due and to become due for the remainder of the term of the Lease. Said lien shall not be in lieu of or in any way affect the statutory landlord's lien provided by law, or any other rights of COUNTY, but shall be cumulative thereof.
- 11.05 <u>Cancellation by LESSEE</u>. LESSEE may cancel this Lease, if LESSEE is not in default of this Lease (including, but not limited to, its payments to COUNTY hereunder) by giving COUNTY sixty (60) days advance written notice to be served as hereinafter provided, upon or after the happening of any one of the following events:
  - A. Issuance by any court of competent jurisdiction of an injunction in any way preventing or restraining the use of the Airport or any part thereof containing the leasehold premises, for airport purposes, and the remaining in force of such injunction for a period of at least thirty (30) days.
  - B. The default by COUNTY in the performance of any covenant or agreement herein required to be performed by COUNTY and the failure of COUNTY to remedy such default for a period of thirty (30) days after receipt from LESSEE of written notice to remedy same; provided, however, that no notice of cancellation, as provided herein, shall be of any force or effect if COUNTY shall have remedied the default prior to receipt of LESSEE's notice of cancellation.

C. The lawful assumption by the United States Government or any authorized agency thereof, of the operation, control or use of the Airport and facilities, or any substantial part or parts thereof, in such a manner as to substantially restrict LESSEE, for a period of at least six (6) months, from operating thereon.

The right of cancellation provided in Section 11.05(B) hereof shall be in addition to any other rights or remedies available to LESSEE, at law or in equity, by reason of such default on the part of COUNTY.

11.06 Surrender of Premises. LESSEE expressly agrees that it shall immediately surrender the leased premises to COUNTY in good and fit condition upon termination or cancellation of this Lease, depreciation and wear from ordinary use for the purpose for which the premises were leased being excepted. All repairs and obligations for which LESSEE is responsible shall be completed by the earliest practical date prior to surrender. In the event LESSEE shall holdover, refuse or fail to give up the possession of the leased premises at the termination of this Lease, LESSEE shall be liable to COUNTY for any and all damages, and in addition thereto, LESSEE shall also be strictly liable to pay to COUNTY during the entire time period of such holdover, double rental, as provided for in Chapter 83.06, Florida Statutes. LESSEE, within fifteen (15) calendar days following the termination of this Lease, shall remove all of its personal property. Any personal property of LESSEE not removed in accordance with this Article XI may be removed and placed in storage by the Department at the sole cost of LESSEE. Failure on the part of LESSEE to reclaim its personal property as provided by law, shall constitute a gratuitous transfer of title thereto to COUNTY for whatever disposition is deemed to be in the best interests of COUNTY.

LESSEE shall not, in any manner, assign, 11.07 Assignment, Transfer and Subletting. transfer, mortgage, pledge, encumber or otherwise convey an interest in this Lease, nor sublet the leased premises or any part thereof, without the prior written consent of COUNTY. Such consent can be withheld for any reason or for no reason at all. Any such attempted assignment, transfer or sublease without COUNTY approval shall be null and void. In the event COUNTY consents in writing as aforesaid, LESSEE shall have the right to the extent permitted by COUNTY's consent to sublease or assign all or any portion of the leased premises, provided that any such sublease or assignment shall be limited to only the same purposes as are permitted under this Lease. In the event of a sublease in which the rentals, fees and charges for the subleased premises exceed the rentals, fees and charges payable by LESSEE for said premises pursuant to this Lease, LESSEE shall pay to COUNTY fifty percent (50%) of the excess of the rentals, fees and charges received from the sublessee over that specified to be paid by LESSEE herein. Any such sublease or assignment shall be subject to the same conditions, obligations and terms as set forth herein and LESSEE shall be fully responsible for the observance by its sublessees of the terms and covenants contained in this Lease. Notwithstanding anything herein to the contrary, in the event of an approved sublease, LESSEE shall remain primarily liable to COUNTY for fulfilling all obligations, terms and conditions of this Lease, throughout its entire term.

#### **ARTICLE XII**

# **ALTERATIONS OR ADDITIONS; SIGNS**

12.01 <u>Alterations or Additions</u>. LESSEE shall make no alterations or additions to the leased premises or improvements constructed thereon, without the prior written consent of Department. Any such additions, alterations or improvements shall be made in accordance with the construction requirements as established by the Department.

12.02 <u>Signs</u>. No signs, posters, or similar devices shall be erected, displayed, or maintained by LESSEE in the view of the general public in, on or about the leased premises or elsewhere on the Airport, without the prior written approval of the Department. Any such signs not approved shall be immediately removed at the sole cost and expense of LESSEE, upon written notification thereof by Department.

# **ARTICLE XIII**

#### LAWS, REGULATIONS, PERMITS AND TAXES

# 13.01 General.

- A. LESSEE expressly covenants, warrants, guarantees and agrees that throughout the term of this Lease, LESSEE shall at all times be and shall remain in full and complete compliance with all applicable statutes, regulations, rules, rulings, orders, ordinances and/or directives of any kind or nature without limitation, as same may be amended, of any and/or all Federal, State, Municipal and/or local governmental bodies now or hereafter having jurisdiction over LESSEE, LESSEE's operations conducted under this Lease on the leased premises and/or over those persons and entities performing any work or services on behalf of LESSEE or at LESSEE's express or implied request. LESSEE further covenants, warrants, guarantees and agrees that it shall comply with all ordinances of COUNTY, including but not limited to the "Rules and Regulations of the Department of Airports of Palm Beach County, Florida," (Appendix B [Volume 2] of Palm Beach County Code, and as may from time-to-time be amended), all operational orders issued thereunder, and any and all other laws, ordinances, resolutions, regulations, rules and orders of any governmental entity which may be applicable to LESSEE or in any way to LESSEE's business operations under this Lease, as said laws, ordinances, regulations, rules and orders now exist, or are hereafter amended, promulgated or otherwise imposed on LESSEE by law.
- B. LESSEE agrees that it shall require its appropriate managers, supervisors and employees to attend such training and instructional programs as the Department may, from time-to-time reasonably require, in connection with policies and procedures related to certification of the Airport under Part 139 of the Federal Aviation Regulations or the Rules and Regulations of the Department.
- 13.02 Permits and Licenses General. LESSEE expressly covenants, warrants and agrees that it shall, at its sole cost and expense, be strictly liable and responsible for obtaining, paying for, and maintaining current, and fully complying with, any and all permits, licenses and other governmental authorizations, however designated, as may be required at any time throughout the entire term of this Lease by any Federal, State, or local governmental entity or any Court of Law having jurisdiction over LESSEE or LESSEE's operations and activities, for any activity of the LESSEE conducted on the leased premises and for any and all operations conducted by LESSEE including ensuring that all legal requirements, permits and licenses necessary for or resulting, directly or indirectly, from LESSEE's operations and activities on the leased premises have been obtained and that LESSEE is in full legal compliance. Upon the written request of the Department, LESSEE shall provide to Department certified copies of and access to the originals of any and all permits and licenses which the Department may request.
- 13.03 Air and Safety Regulations. LESSEE covenants, warrants, guarantees and agrees that it shall conduct its operations and activities under this Lease in a safe manner, shall comply with all safety regulations of Department and with safety standards imposed by applicable Federal, State and local laws and regulations and shall require the observance thereof by all employees, contractors, business invitees and all other persons transacting business with or for LESSEE resulting from, or in any way related to, the conduct of LESSEE's business on the leased premises. LESSEE shall procure and maintain such fire

prevention and extinguishing devices as required by COUNTY and shall at all times be familiar and comply with the fire regulations and orders of COUNTY and the fire control agency with jurisdiction at the Airport, as same may now exist or hereafter come into being. LESSEE hereby agrees that neither LESSEE, nor any employee or contractor or any person working for or on behalf of LESSEE, shall require any personnel engaged in the performance of LESSEE's operations to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous to his or her health or safety, as determined by standards adopted pursuant to the Occupational Safety and Health Act of 1970, as same may be amended from time to time, as well as all State and local laws, regulations and orders relative to occupational safety and health.

# 13.04 Environmental and Natural Resource Laws, Regulations and Permits.

- Notwithstanding any other provision of the Lease, and in addition to any and all other Lease requirements, and any other covenants and warranties of LESSEE, LESSEE hereby expressly covenants, warrants, guarantees and represents to COUNTY, upon which COUNTY expressly relies, that LESSEE is knowledgeable of any and all Federal, State, regional and local governmental laws, ordinances, regulations, orders and rules, without limitation, that are now or may hereafter come into being, which govern or which in any way, apply to the direct or indirect results and impacts to the environment and natural resources due to, or in any way resulting from, the conduct by LESSEE of its operations pursuant to or upon the premises leased hereunder. LESSEE expressly represents, covenants, warrants, guarantees and agrees that it shall comply with all applicable Federal, State, regional and local laws, regulations and ordinances protecting the environment and natural resources including, but not limited to, the Federal Clean Water Act, Safe Drinking Water Act, Clean Air Act, Resource Conservation Recovery Act, Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("Superfund"), and all rules and regulations promulgated or adopted thereunder as same may from time to time be amended. LESSEE further expressly represents, covenants, warrants, guarantees and agrees that it shall fully comply with all State and local laws, ordinances, rules and regulations protecting the environment.
- B. LESSEE hereby acknowledges and understands that its operations performed pursuant to this Lease may involve the generation, processing, handling, storing, transporting and disposal of certain hazardous and/or toxic materials which are, or may be, subject to regulation by Federal, State or local laws, ordinances, regulations, rules, orders or other governmental rules and requirements.
- C. LESSEE expressly covenants, warrants, guarantees and represents to COUNTY, upon which COUNTY expressly relies, that LESSEE is knowledgeable of all such governmental laws and regulations governing hazardous and/or toxic waste, ground water contamination, air and water pollution, oil spills, sanitary and industrial waste, pollutants, cooling water and industrial storm water drainage. LESSEE further expressly covenants, warrants, guarantees and represents that it is fully qualified to handle and dispose of any and all such hazardous and/or toxic waste materials, and all other pollutants and contaminants, in a manner which is both safe and in full compliance with any and all applicable Federal, State and local laws and regulations.
- D. LESSEE hereby expressly assumes and accepts full responsibility and liability for compliance with all such governmental laws and regulations in the handling and disposal of any and all hazardous waste and/or toxic materials, and all pollutants or contaminants of any kind, resulting from or arising out of LESSEE's operations conducted on the leased premises, and LESSEE shall, prior to commencement of any such operations pursuant to this Lease, secure any and all permits, and properly make all necessary notifications as may be required by any and all governmental agencies having

jurisdiction over parties or the subject matter hereof. LESSEE further represents, warrants, guarantees and covenants to COUNTY, upon which COUNTY hereby expressly relies, that LESSEE, its employees, agents, contractors, and all persons working for, or on behalf of, LESSEE have been fully and properly trained in the handling of all such hazardous and toxic waste materials, and other pollutants and contaminants, and that such training, at a minimum, complies with any and all applicable Federal, State and local laws, ordinances, regulations, rulings, orders and standards which are now or are hereafter promulgated.

- E. LESSEE shall provide to COUNTY satisfactory documentary evidence of all such requisite legal permits and notifications, as hereinabove required and as may be further required, upon request, from time to time by COUNTY.
- F. LESSEE hereby expressly agrees to indemnify and hold COUNTY harmless from and against any and all liability for fines and physical damage to property or injury or death to persons, including reasonable expense and attorneys fees, arising from or resulting out of, or in any way caused by, LESSEE's failure to comply with any and all applicable Federal, State and local laws, ordinances, regulations, rulings, orders and standards, now or hereafter, promulgated for the purpose of protecting the environment. LESSEE understands that this indemnification is in addition to and is a supplement of LESSEE's indemnification agreement set forth in ARTICLE IX of this Lease and that LESSEE in full understanding of the broad extent of this indemnification hereby expressly acknowledges that it has received full and adequate consideration from COUNTY to legally support this indemnification agreement. This clause shall survive termination of the Lease.
- G. If LESSEE is deemed to be a generator of hazardous waste, as defined by State or Federal or local law:
  - (1) LESSEE shall obtain an EPA identification number and the appropriate generator permit and shall comply with all requirements imposed upon a generator of hazardous waste including, but not limited to, ensuring that the appropriate transportation and disposal of such materials are conducted in full compliance with the law;
  - (2) Provisions shall be made by LESSEE to have an accurate inventory list (including quantities) of all such hazardous, toxic, and other contaminated or polluted materials, whether stored, disposed of, or recycled, available at all times for inspection at any time on the leased premises by County Officials, including Fire Department Officials, for implementation of proper storage, handling and disposal procedures;
  - (3) Notification of all hazardous waste activities by LESSEE shall be made to the Palm Beach County Solid Waste Authority, Palm Beach County Department of Environmental Regulation, and such other agencies as COUNTY may from time to time designate, by LESSEE so that it shall be included as a County Generator of such waste; and
  - (4) LESSEE agrees that an emergency coordinator and phone number shall be furnished to the Department of Airports, to the Palm Beach County Risk Management Department Safety Division, and to all appropriate Governmental entities having jurisdiction thereof in case of any spill, leak, or other emergency situation involving hazardous, toxic, flammable, and/or other pollutant/contaminated materials.
- H. Violation of any part of the foregoing provisions or disposition by LESSEE of any sanitary waste, pollutants, contaminants, hazardous waste, toxic waste, industrial cooling water, sewage or any other materials in violation of the provisions of this section of this Lease shall be deemed to be a default under this Lease and, unless cured within ten (10) days of receipt of notice from COUNTY or if said default cannot be completely cured within that period and LESSEE uses its best efforts to completely cure said default as expeditiously as possible, shall be deemed to be material breach as provided for under this Lease, and shall be grounds for termination of this Lease, and shall also provide COUNTY grounds for

taking whatever other action it may have in addition to termination based upon default as provided for under this Lease. LESSEE shall be strictly liable for, and hereby expressly assumes all responsibility for all citations, fines, environmental controls and monitoring, clean-up and disposal, restoration and corrective measures resulting from or in any way connected with the improper use, handling, storage, and/or disposal of all pollutants or contaminated materials, as same are defined by law, by LESSEE or by LESSEE's employees, invitees, suppliers of service or furnishers of materials or any other person whomsoever, regardless of whether or not a default notice has been issued and notwithstanding any other obligations imposed upon LESSEE pursuant to the terms of the Lease. All such remedies of COUNTY with regard to environmental requirements as set forth herein shall be deemed cumulative in nature and shall survive termination of this Lease.

assessed against its leasehold interest in the leased premises, its improvements and its operations under this Lease. As additional consideration for this Lease LESSEE expressly covenants and agrees to pay any and all ad valorem taxes assessed by the Palm Beach County Property Appraiser against its leasehold interest in the leased premises, and its improvements and its operations under this Lease. LESSEE shall have the right to contest the amount or validity of any tax or assessment payable by it by appropriate legal proceedings but this shall not be deemed or construed in any way as relieving, modifying, or extending LESSEE's covenants to pay any such tax or assessment, unless the legal proceedings shall operate to prevent the collection of the tax or assessment. Upon termination of such legal proceedings, LESSEE shall pay the amount of any such tax or assessment, or part thereof, as finally determined in such proceedings, the payment of which may have been deferred during the prosecution thereof, together with any costs, fees, interest, penalties, or other liabilities in connection therewith.

# **ARTICLE XIV**

# **DISCLAIMER OF LIABILITY**

COUNTY HEREBY DISCLAIMS, AND LESSEE HEREBY RELEASES COUNTY, FROM ANY AND ALL LIABILITY, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE AND NUISANCE), FOR ANY LOSS, DAMAGE, OR INJURY OF ANY NATURE WHATSOEVER SUSTAINED BY LESSEE, ITS EMPLOYEES, AGENTS, OR INVITEES DURING THE TERM OF THIS LEASE INCLUDING, BUT NOT LIMITED TO, LOSS, DAMAGE, OR INJURY TO THE IMPROVEMENTS OR PERSONAL PROPERTY OF LESSEE OR LESSEE'S BUSINESS INVITEES THAT MIGHT BE LOCATED OR STORED ON THE LEASED PREMISES, UNLESS SUCH LOSS, DAMAGE, OR INJURY IS CAUSED SOLELY BY COUNTY'S SOLE NEGLIGENCE. THE PARTIES HERETO EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL COUNTY BE LIABLE FOR INDIRECT, CONSEQUENTIAL, SPECIAL, OR EXEMPLARY DAMAGES WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE, AND NUISANCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS OR ANY OTHER DAMAGE RELATED TO THE LEASING OF THE LEASED PREMISES PURSUANT TO THIS LEASE.

# ARTICLE XV

# REMEDIES CUMULATIVE

The rights and remedies of the parties hereto with respect to any of the terms and conditions of this Lease shall be cumulative and not exclusive and shall be in addition to all other rights and remedies of the parties.

# **ARTICLE XVI**

# **GOVERNMENTAL RESTRICTIONS**

16.01 <u>Federal Right to Reclaim</u>. In the event a United States governmental agency shall demand and take over the entire facilities of the Airport or the portion thereof wherein the leased premises

are located, for public purposes, then this Lease shall thereupon terminate and the COUNTY shall be released and fully discharged from any and all liability hereunder.

- 16.02 <u>Federal Review</u>. This Lease is subject to any applicable review by the Federal Aviation Administration to determine satisfactory compliance with federal law and said Lease shall be in full force and effect and binding upon both parties pending review and approval by said Federal Aviation Administration, if applicable; provided, however, that upon such review all parties hereto agree to modify any of the terms hereof which shall be determined by the Federal Aviation Administration to be in violation of existing laws, regulations or other legally binding requirements.
- 16.03 <u>COUNTY Tax Assessment Right</u>. None of the terms, covenants, and conditions of this Lease shall in any way be construed as a release or waiver on the part of COUNTY, as a political subdivision of the State of Florida, or any of the public officials of the County of Palm Beach, of the right to assess, levy and collect any license, personal, intangible, occupation, or other tax which shall be lawfully imposed on the business or property of the LESSEE.
- 16.04 Operation of Airport. LESSEE expressly agrees for itself, its sublessees, successors and assigns, to prevent any use of the leased premises which would interfere with or adversely affect the operation or maintenance of the Airport, or otherwise constitute an Airport hazard.

#### **ARTICLE XVII**

# **NO DISCRIMINATION**

- 17.01 Non-discrimination. LESSEE for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (a) that no person on the grounds of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, religion, marital status, age, or disability shall be excluded from participation in or denied the use of said leased premises, (b) that in the construction of any improvements on, over, or under such leased premises and the furnishing of services thereon, no person on the grounds of race, creed, color, national origin, sex, sexual orientation, gender identity or expression, religion, marital status, age, or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (c) that LESSEE shall use the leased premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended. In the event of the breach of any of the foregoing nondiscrimination covenants, COUNTY shall have the right to terminate this Lease and to re-enter and repossess said leased premises and the facilities thereon, and hold the same as if said Lease had never been made or issued. This cancellation provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21, are followed and completed including exercise or expiration of appeal rights.
- Disadvantaged Business Enterprise/Affirmative Action. LESSEE acknowledges that the provisions of 49 CFR, Part 23, Disadvantaged Business Enterprises (DBE), and 14 CFR Part 152, Affirmative Action Employment Programs, may become applicable to the activities of LESSEE under the terms of this Lease, unless exempted by said regulations, and hereby agrees at such time to comply with all applicable requirements of Department, the Federal Aviation Administration and the U.S. Department of Transportation, in reference thereto. These requirements may include, but not be limited to, the compliance with DBE and/or Employment Affirmative Action participation goals, the keeping of certain records of good faith compliance efforts, which would be subject to review by the various agencies, the submission of various reports, and including, if directed by Department, the contracting of specified

percentages of goods and services contracts to Disadvantaged Business Enterprises. Failure to comply with these requirements shall be grounds for default and cancellation of this Lease. Any cancellation pursuant to this Article 17.02 shall not be effective until the procedures specified in said Federal regulations or established by COUNTY are completed, including exercise or expiration of any appeal rights.

# **ARTICLE XVIII**

# **COUNTY NOT LIABLE**

COUNTY shall not be responsible or liable to LESSEE for any claims for compensation or any losses, damages or injury sustained by LESSEE resulting from (a) cessation for any reason of air carrier operations at the Airport, or (b) diversion of passenger traffic to any other Airport. COUNTY shall not be responsible or liable to LESSEE for any claims for compensation or any losses, damages or injury sustained by LESSEE resulting from failure of any water supply, heat, air conditioning, electrical current, or sewerage or drainage facility, or caused by natural physical conditions on the Airport, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, hurricane, tornado, act of God or state of war, civilian commotion or riot, or any cause beyond the control of COUNTY. All personal property placed on or moved onto the leased premises shall be at the sole risk of LESSEE or owner thereof. COUNTY shall not be liable for any damage or loss of said personal property.

# **ARTICLE XIX**

# **AUTHORIZED USES ONLY**

Notwithstanding anything to the contrary herein, LESSEE shall not use or permit the use of the leased premises or the Airport for any illegal or improper purpose or for any purpose which would invalidate any policies of insurance, now existing or hereafter written on the leased premises or the Airport for COUNTY or LESSEE.

#### **ARTICLE XX**

# **NON-WAIVER**

The failure of COUNTY to insist on a strict performance of any of the agreements, terms, covenants, and conditions hereof shall not be deemed a waiver of any rights or remedies that COUNTY may have for any subsequent breach, default, or non-performance, and COUNTY's right to insist on strict performance of this Lease shall not be affected by any previous waiver or course of dealing.

# **ARTICLE XXI**

#### **SUBORDINATION**

- 21.01 <u>Subordination to Bond Resolution</u>. This Lease and all rights granted to LESSEE hereunder are expressly subordinated and subject to the lien and provisions of the pledges, transfer, hypothecation or assignment made by COUNTY in the Bond Resolution, and COUNTY and LESSEE agree that to the extent permitted by authorizing legislation, the holders of the Bonds or their designated representatives shall exercise any and all rights of COUNTY hereunder to the extent such possession, enjoyment and exercise are necessary to ensure compliance by LESSEE and COUNTY with the terms and provisions of this Lease and the Bond Resolution.
- 21.02 <u>Subordination to Federal Agreements</u>. This Lease and all provisions hereof shall be subject and subordinate to all the terms and conditions of any instruments and documents under which the COUNTY acquired the land or improvements thereon, of which said leased premises are a part, and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. LESSEE understands and agrees that this Lease shall be subordinate to the provisions of any existing or

future agreement between COUNTY and the United States Government, or other governmental authority, relative to the operation or maintenance of the Airport, the execution of which has been or will be required as a condition precedent to the granting of Federal funds or other governmental authority funds for the development of the Airport.

#### ARTICLE XXII

#### **EASEMENTS**

Nothing in this Lease shall impair any existing utility easements, nor impair the right of access to any existing utility lines. COUNTY reserves the right to grant utility easements, licenses and rights-of-way to others over, under, through, across or on the leased premises; provided, however, that such grant is not materially detrimental to the proper conduct of LESSEE's operations.

# **ARTICLE XXIII**

# **CONSENT AND APPROVAL**

Nothing in this Lease shall be construed to waive or limit COUNTY's governmental authority as a political subdivision of the State of Florida to regulate LESSEE or its operations.

# **ARTICLE XXIV**

# RIGHTS RESERVED TO COUNTY

All rights not specifically granted LESSEE by this Lease are reserved to COUNTY.

# **ARTICLE XXV**

# **INVALIDITY OF CLAUSES**

The invalidity of any portion, article, paragraph, provision, clause or any portion thereof of this Lease shall have no affect upon the validity of any other part or portion hereof.

# **ARTICLE XXVI**

#### **VENUE**

To the extent allowed by law, the venue for any action arising from this Lease shall be in Palm Beach County, Florida.

# **ARTICLE XXVII**

# **GOVERNING LAW**

This Lease shall be governed by and in accordance with the laws of the State of Florida.

# **ARTICLE XXVIII**

# **INSPECTIONS**

The authorized employees and representatives of COUNTY and any applicable Federal, State, and local governmental entity having jurisdiction hereof shall have the right of access to the leased premises at all reasonable times for the purposes of inspection for compliance with the provisions of this Lease.

# **ARTICLE XXIX**

#### **NOTICE**

Any notice given under the provisions of this Lease shall be in writing and shall be delivered personally or sent by certified or registered mail, postage prepaid to

#### COUNTY:

Department of Airports Palm Beach County

Palm Beach International Airport

Building 846

West Palm Beach, Florida 33406-1491

LESSEE:

GFM Service Inc.

Attn: President

18867 Big Cypress Drive Jupiter, Florida 33458

or to such other respective addresses as the parties may designate to each other in writing from time-totime. Notice by certified or registered mail, shall be deemed given on the date that such notice is deposited in a United States Post Office.

#### ARTICLE XXX

#### PARAGRAPH HEADINGS

The headings of the various articles and sections of this Lease, and its Table of Contents, are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, context or intent of this Lease or any part or portions of this Lease.

#### ARTICLE XXXI

#### **BINDING EFFECT**

The terms, conditions and covenants of this Lease shall inure to the benefit of and be binding upon the parties hereto and their successors, assigns and sublessees, if any. This provision shall not constitute a waiver of any conditions against assignment or subletting.

#### ARTICLE XXXII

#### **PERFORMANCE**

The parties expressly agree that time is of the essence in this Lease and the failure by LESSEE to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of COUNTY without liability, in addition to any other rights or remedies, relieve COUNTY of any obligation to accept such performance.

#### ARTICLE XXXIII

#### **PUBLIC ENTITY CRIMES**

As provided in F.S. 287.132-133, by entering into this Agreement or performing any work in furtherance hereof, SERVICE PROVIDER certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the effective date hereof. This notice is required by F.S. 287.133(3)(a).

# ARTICLE XXXIV

#### ENTIRETY OF AGREEMENT

The parties agree that this Lease sets forth the entire agreement between the parties, and there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Lease may be added to, modified, superseded or otherwise altered except by written instrument executed by the parties hereto.

(Remainder of page intentionally left blank.)

IN WITNESS WHEREOF, the parties hereto have caused this **Air Freight Building Lease** to be signed by the County Administrator or the Director of the Department of Airports pursuant to the authority granted by the Board of County Commissioners, and the LESSEE, GFM Service, Inc. has caused these presents to be signed in its corporate name by its duly authorized officer, the President, acting on behalf of said LESSEE, and the seal of said LESSEE to be affixed hereto and attested by the Secretary of said LESSEE, the day and year first written above.

LESSEE:

PALM BEACH COUNTY, FLORIDA

By: Director - Department of Airports

GFM Service, Inc.

By: Soln RR. ROSS

Title: PRESIDENT

 oxue Shifher
Debra Roese
ATTEST:
By: Deure A. Nadion VICE PRESIDENT
(Corporate Seal)
Signed, sealed and delivered in the presence of two witnesses for LESSEE
- Witness Signature
typed or printed)  Witness Signature
PAUL H. ROSS (typed or printed)

By: Onne Olyant
County Attorney

# COUNTY OF PALM BEACH STATE OF FLORIDA

BOARD OF COUNTY COMMISSIONERS PROJECT NO. 2008013-04

# BOUNDARY & LIMITED TOPOGRAPHIC SURVEY PALM BEACH INTERNATIONAL AIRPORT LEASE PARCEL N-12

(CARGO FACILITY BUILDING 1300) KAREN T. MARCUS DISTRICT 1

A PARCEL OF LAND LOCATED WITHIN PALM BEACH INTERNATIONAL AIRPORT PROPERTY. SITUATED IN SECTION 32. TOWNSHIP 43 SOUTH. RANGE 43 EAST. PALM BEACH COUNTY. FLORIDA. BEING MORE PARTICULARLY DESCRIBED AS FOLLOW.

#### SURVEYOR'S REPORT

THE PROPERTY AS SURVEYED CONTAINS 3.897 ACRES DR 169.756 SQUARE FEET MORE OR LESS.

THE CLIENT REQUESTED DALY A LIMITED AMOUNT DO TOPOGRAPHIC INFORMATION/FAINES BE INCLUDED ON IN HIS SURVEY ON SITE VERTICAL TOPOGRAPHY AND THE LOCATION. SIZE AND SPECIES OF TREES WERE NOT REQUESTED TO BE SHOWN BY THE CLIENT ALL APPARENT USAGES THE CONTROL OF THE

BEARINGS ON THIS SURVEY ARE BASED ON A GRID IMAD 83/90) BEARING OF SOUTH 88\*26'54" EAST ALONG THE MORTH LING OF THE MORTHMEST OWNER OF SECTION 32. TOWNSHIP 43 SOUTH, RANGE 43 EAST, PALM BEACH COUNTY-FLORIDA AND ALL OTHER BEARINGS ARE RELATIVE THERETO.

THIS INSTRUMENT PREPARED BY GLENN W. MARK, P.L.S. IN THE OFFICE OF THE COUNTY ENGINEER @ VISTA CENTER. 2300 NORTH JOG ROAD, WEST PALM BEACH, FLORIDA 33411-2745.

NO SEARCH OF THE PUBLIC RECORDS HAS BEEN MADE BY THE SIGNING SURVEYOR.

IT IS POSSIBLE THAT THERE ARE DEEDS OF RECORD, UNRECORDED DEEDS EASEMENTS. OR OTHER INSTRUMENTS WHICH COULD AFFECT THE SUBJECT PROPERTY, WHICH ARE UNKNOWN TO THE SIGNING SURVEYOR.

SURVEY IS NOT BASED ON ANY ABSTRACT OR TITLE POLICY. CLIENT REQUESTED THE SURVEY TO BE DONE WITHOUT THAT INFORMATION BEING

SEE THE RECORDED DOCUMENTS CITED ON THIS DRAWING FOR ADDITIONAL

THE FILE NAMES ARE 2008013-04.PRJ, 2008013-04.DAT, 08013-04.ZAK, 2008013-04 (PBJA LEASE PARCEL N-12) NOTES.DOC AND 5-3-08-2812.DGN

LEGAL ACCESS TO THE PARCELS IS PROVIDED VIA BELVEDERE TO THE NORTH THRU AN AIRPORT ACCESS ROAD (NO RECORD INFORMATION PROVIDED)

NO WETLAND DETERMINATIONS OR DELINEATIONS WERE CONDUCTED BY THIS

UNDERGROUND FOUNDATIONS AND UTILITIES MAY BE PRESENT. NO UNDERGROUND FOUNDATIONS OR UTILITIES WERE LOCATED BY THIS SURVEY

DATE OF AERIAL PHOTO BY OTHERS 01/29/2007 TO 03/05/2007. THIS IS AN ORTHO-IWAGE OR ORTHO-PHOTO. THE PHOTO WAS NOT CONTROLLED. TARGETED OR FIELD VERIFIED BY THE SIGNING SURVEYOR AND IS FOR INFORMATIONAL PURPOSES ONLY.

JOHN F. KOONS DISTRICT 2

MARY McCARTY DISTRICT 4

JESS R. SANTAMARIA DISTRICT 6

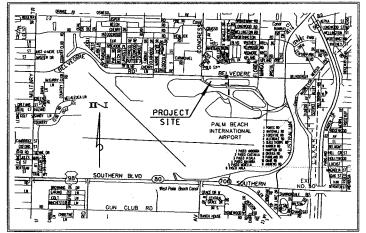


ROBERT J. KANJIAN DISTRICT 3

BURT AARONSON DISTRICT 5

ADDIE L. GREENE DISTRICT 7

SECTION 32, TOWNSHIP 43 SOUTH, RANGE 43 EAST



LOCATION MAP

COORDINATES SHOWN ARE GRID DATUM = NAD 83, 1990 ADJUSTMENT ZONE - FLORIDA EAST COORDINATE SYSTEM 1983 STATE PLANE TRANSVERSE MERCATOR PROJECTION

GLENN W. MARK PLS FLORIDA CERTIFICATE NO. 5304

ENGINEERING 2500 NORTH 10G R



B.A.O.

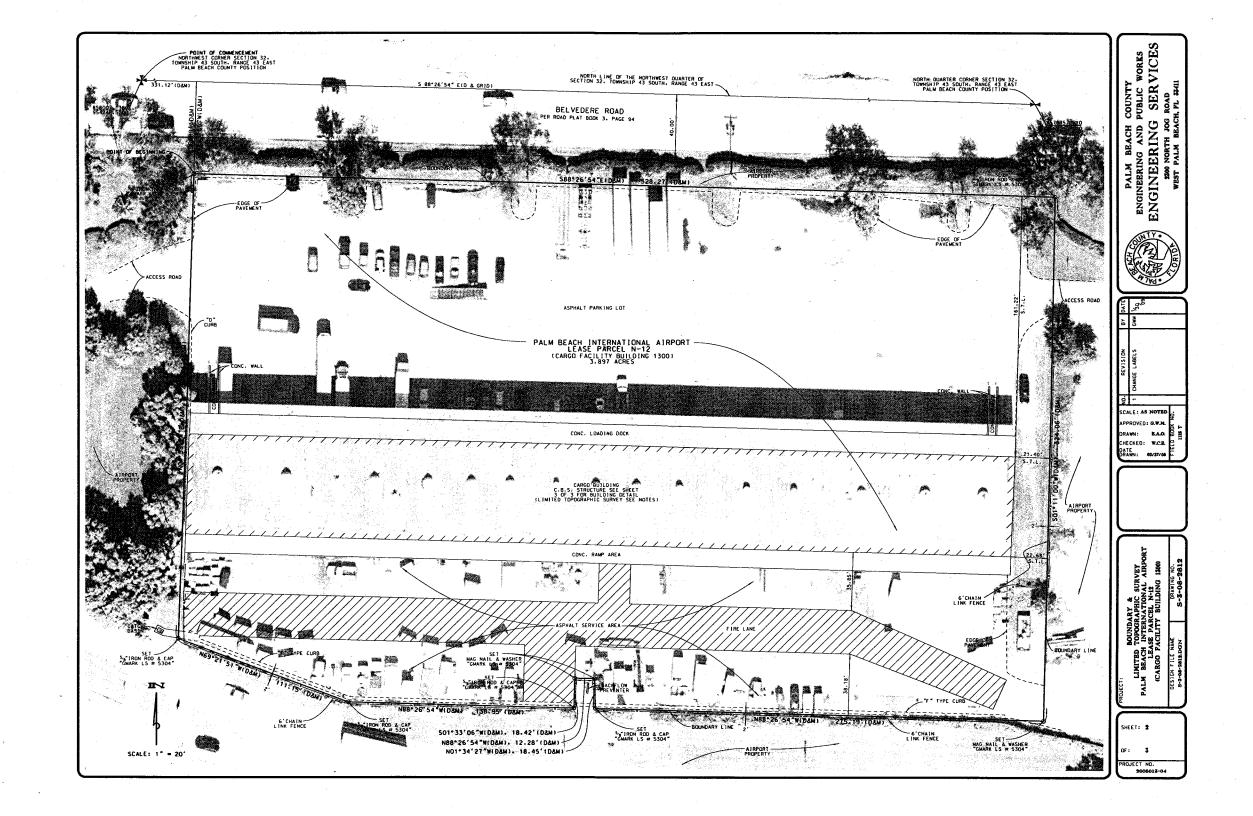
03/97/08

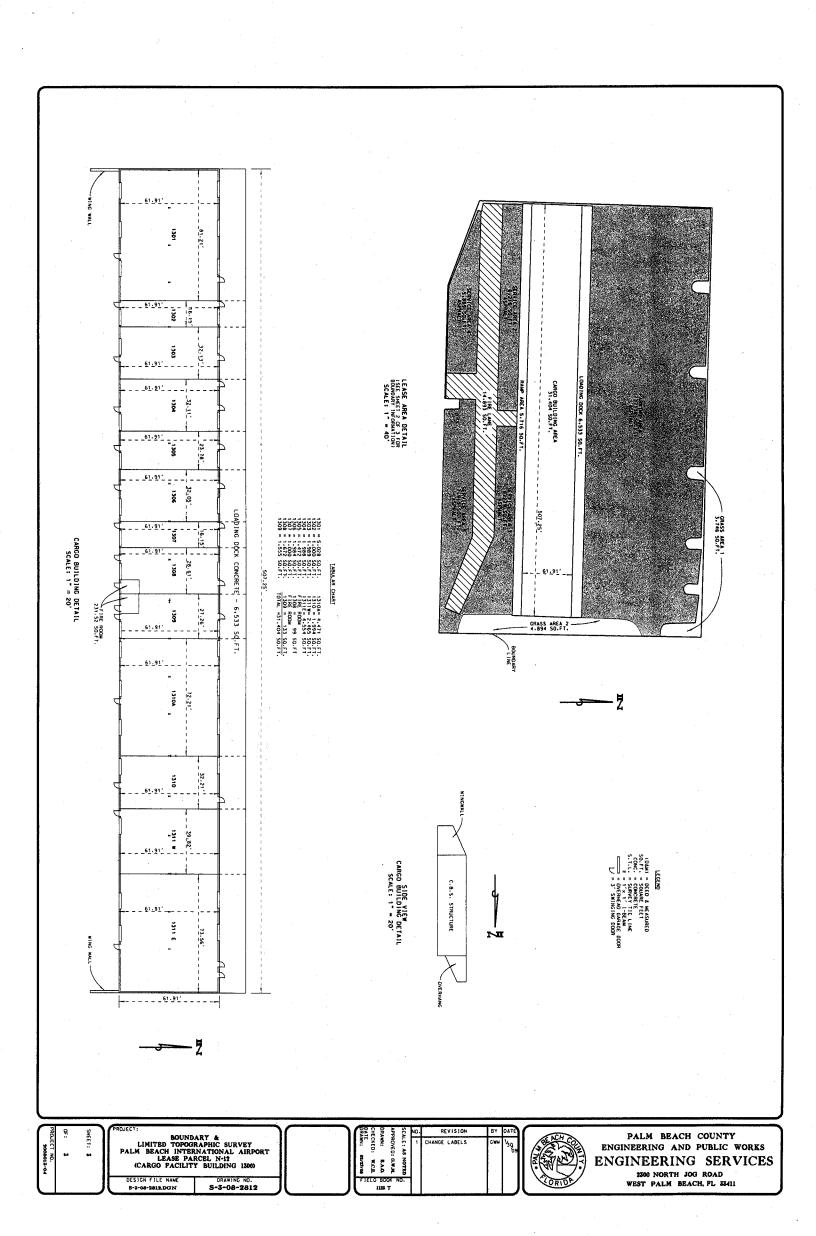
CHECKED: W.C.E.

SHEET: 1

DF: 3

PROJECT NO.





#### **CONSENT TO SUBLEASE**

PALM BEACH COUNTY, a political subdivision of the State of Florida, (the "COUNTY"), by and through its Department of Airports, under that certain Airline-Airport Use and Lease Agreement with United Air Lines, Inc. (the "LESSEE"), dated February 16, 2007 (R2007-0639), (the "Lease Agreement"), hereby consents to LESSEE entering into a Sublease of Space Agreement dated January 27, 2009 (the "Sublease") with Spirit Airlines, Inc., (the "SUBLESSEE") for the sublease of certain premises contained within the leasehold of LESSEE under the Lease Agreement.

Notwithstanding any provision of the Sublease to the contrary, the COUNTY hereby rejects any such provision in the Sublease, if any, which gives a greater right to the SUBLESSEE than that which the LESSEE has and, further, the COUNTY rejects any provision of the Sublease which purports to give the SUBLESSEE a right or interest in the premises independent of the Lease Agreement with the COUNTY. It is the express intent of the COUNTY in giving its consent that any forfeiture, loss, or termination of the Lease Agreement shall automatically terminate any sublease of the premises. In giving its consent to sublease the premises, Palm Beach County does not in any manner adopt, accept, or approve the terms of the Sublease or alter the terms of the Sublease.

It is the COUNTY's intent that the LESSEE shall remain liable to COUNTY for all rights and obligations contained in its Lease Agreement with the COUNTY.

APPROVED this \_\_\_ day of \_\_\_\_\_ 2009 and pursuant to the Department of Airports on behalf of and pursuant to the authority granted by the Board of County Commissioners.

Title:

Director of Airpor

Approved as to Form and Legal

Sufficiency:

By:

County Attorner